

House Amendment to
Senate File 522

S-3336

1 Amend Senate File 522, as passed by the Senate, as
2 follows:

3 1. By striking everything after the enacting clause
4 and inserting:

5 <DIVISION I

6 EDUCATION FINANCE

7 Section 1. Section 257.1, subsection 2, paragraph
8 b, Code 2011, is amended by striking the paragraph and
9 inserting in lieu thereof the following:

10 b. (1) The regular program foundation base per
11 pupil is the following:

12 (a) For the budget year commencing July 1, 2011,
13 the regular program foundation base per pupil is
14 eighty-seven and five-tenths percent of the regular
15 program state cost per pupil.

16 (b) For the budget year commencing July 1, 2012,
17 the regular program foundation base per pupil is
18 eighty-nine and twenty-eight hundredths percent of the
19 regular program state cost per pupil.

20 (c) For the budget year commencing July 1, 2013,
21 the regular program foundation base per pupil is
22 ninety-one and six hundredths percent of the regular
23 program state cost per pupil.

24 (d) For the budget year commencing July 1, 2014,
25 the regular program foundation base per pupil is
26 ninety-two and eighty-four hundredths percent of the
27 regular program state cost per pupil.

28 (e) For the budget year commencing July 1, 2015,
29 the regular program foundation base per pupil is
30 ninety-four and sixty-two hundredths percent of the
31 regular program state cost per pupil.

32 (f) For the budget year commencing July 1, 2016,
33 the regular program foundation base per pupil is
34 ninety-six and forty hundredths percent of the regular
35 program state cost per pupil.

36 (g) For the budget year commencing July 1, 2017,
37 the regular program foundation base per pupil is
38 ninety-eight and eighteen hundredths percent of the
39 regular program state cost per pupil.

40 (h) For the budget year commencing July 1, 2018,
41 and succeeding budget years, the regular program
42 foundation base per pupil is one hundred percent of the
43 regular program state cost per pupil.

44 (2) For each budget year, the special education
45 support services foundation base is seventy-nine
46 percent of the special education support services state
47 cost per pupil. The combined foundation base is the
48 sum of the regular program foundation base, the special
49 education support services foundation base, the total
50 teacher salary supplement district cost, the total

1 professional development supplement district cost, the
2 total early intervention supplement district cost, the
3 total area education agency teacher salary supplement
4 district cost, and the total area education agency
5 professional development supplement district cost.

6 DIVISION II

7 PROPERTY ASSESSMENT LIMITATIONS

8 Sec. 2. Section 441.21, subsection 4, Code 2011, is
9 amended to read as follows:

10 4. For valuations established as of January
11 1, 1979, the percentage of actual value at which
12 agricultural and residential property shall be assessed
13 shall be the quotient of the dividend and divisor as
14 defined in this section. The dividend for each class
15 of property shall be the dividend as determined for
16 each class of property for valuations established as
17 of January 1, 1978, adjusted by the product obtained
18 by multiplying the percentage determined for that year
19 by the amount of any additions or deletions to actual
20 value, excluding those resulting from the revaluation
21 of existing properties, as reported by the assessors
22 on the abstracts of assessment for 1978, plus six
23 percent of the amount so determined. However, if the
24 difference between the dividend so determined for
25 either class of property and the dividend for that
26 class of property for valuations established as of
27 January 1, 1978, adjusted by the product obtained by
28 multiplying the percentage determined for that year
29 by the amount of any additions or deletions to actual
30 value, excluding those resulting from the revaluation
31 of existing properties, as reported by the assessors
32 on the abstracts of assessment for 1978, is less than
33 six percent, the 1979 dividend for the other class of
34 property shall be the dividend as determined for that
35 class of property for valuations established as of
36 January 1, 1978, adjusted by the product obtained by
37 multiplying the percentage determined for that year
38 by the amount of any additions or deletions to actual
39 value, excluding those resulting from the revaluation
40 of existing properties, as reported by the assessors on
41 the abstracts of assessment for 1978, plus a percentage
42 of the amount so determined which is equal to the
43 percentage by which the dividend as determined for the
44 other class of property for valuations established as
45 of January 1, 1978, adjusted by the product obtained
46 by multiplying the percentage determined for that year
47 by the amount of any additions or deletions to actual
48 value, excluding those resulting from the revaluation
49 of existing properties, as reported by the assessors
50 on the abstracts of assessment for 1978, is increased

1 in arriving at the 1979 dividend for the other class
2 of property. The divisor for each class of property
3 shall be the total actual value of all such property
4 in the state in the preceding year, as reported by the
5 assessors on the abstracts of assessment submitted
6 for 1978, plus the amount of value added to said
7 total actual value by the revaluation of existing
8 properties in 1979 as equalized by the director of
9 revenue pursuant to section 441.49. The director shall
10 utilize information reported on abstracts of assessment
11 submitted pursuant to section 441.45 in determining
12 such percentage. For valuations established as of
13 January 1, 1980, and each assessment year thereafter
14 beginning before January 1, 2012, the percentage of
15 actual value as equalized by the director of revenue
16 as provided in section 441.49 at which agricultural
17 and residential property shall be assessed shall be
18 calculated in accordance with the methods provided
19 herein including the limitation of increases in
20 agricultural and residential assessed values to the
21 percentage increase of the other class of property if
22 the other class increases less than the allowable limit
23 adjusted to include the applicable and current values
24 as equalized by the director of revenue, except that
25 any references to six percent in this subsection shall
26 be four percent. For valuations established as of
27 January 1, 2012, and each assessment year thereafter,
28 the percentage of actual value as equalized by the
29 director of revenue as provided in section 441.49 at
30 which agricultural and residential property shall be
31 assessed shall be calculated in accordance with the
32 methods provided herein including the limitation of
33 increases in agricultural and residential assessed
34 values to the percentage increase of the other class
35 of property if the other class increases less than the
36 allowable limit adjusted to include the applicable and
37 current values as equalized by the director of revenue,
38 except that any references to six percent in this
39 subsection shall be two percent.

40 Sec. 3. Section 441.21, subsection 5, Code 2011, is
41 amended to read as follows:

42 5. ~~a. For valuations established as of January~~
43 ~~1, 1979, commercial property and industrial property,~~
44 ~~excluding properties referred to in section 427A.1,~~
45 ~~subsection 8, shall be assessed as a percentage of~~
46 ~~the actual value of each class of property. The~~
47 ~~percentage shall be determined for each class of~~
48 ~~property by the director of revenue for the state in~~
49 ~~accordance with the provisions of this section. For~~
50 ~~valuations established as of January 1, 1979, the~~

1 ~~percentage shall be the quotient of the dividend and~~
2 ~~divisor as defined in this section. The dividend~~
3 ~~for each class of property shall be the total actual~~
4 ~~valuation for each class of property established for~~
5 ~~1978, plus six percent of the amount so determined.~~
6 ~~The divisor for each class of property shall be the~~
7 ~~valuation for each class of property established for~~
8 ~~1978, as reported by the assessors on the abstracts~~
9 ~~of assessment for 1978, plus the amount of value~~
10 ~~added to the total actual value by the revaluation~~
11 ~~of existing properties in 1979 as equalized by the~~
12 ~~director of revenue pursuant to section 441.49. For~~
13 ~~valuations established as of January 1, 1979, property~~
14 ~~valued by the department of revenue pursuant to~~
15 ~~chapters 428, 433, 437, and 438 shall be considered~~
16 ~~as one class of property and shall be assessed as a~~
17 ~~percentage of its actual value. The percentage shall~~
18 ~~be determined by the director of revenue in accordance~~
19 ~~with the provisions of this section. For valuations~~
20 ~~established as of January 1, 1979, the percentage~~
21 ~~shall be the quotient of the dividend and divisor as~~
22 ~~defined in this section. The dividend shall be the~~
23 ~~total actual valuation established for 1978 by the~~
24 ~~department of revenue, plus ten percent of the amount~~
25 ~~so determined. The divisor for property valued by~~
26 ~~the department of revenue pursuant to chapters 428,~~
27 ~~433, 437, and 438 shall be the valuation established~~
28 ~~for 1978, plus the amount of value added to the total~~
29 ~~actual value by the revaluation of the property by~~
30 ~~the department of revenue as of January 1, 1979.~~
31 ~~For valuations established as of January 1, 1980,~~
32 ~~commercial property and industrial property, excluding~~
33 ~~properties referred to in section 427A.1, subsection~~
34 ~~8, shall be assessed at a percentage of the actual~~
35 ~~value of each class of property. The percentage~~
36 ~~shall be determined for each class of property by~~
37 ~~the director of revenue for the state in accordance~~
38 ~~with the provisions of this section. For valuations~~
39 ~~established as of January 1, 1980, the percentage~~
40 ~~shall be the quotient of the dividend and divisor as~~
41 ~~defined in this section. The dividend for each class~~
42 ~~of property shall be the dividend as determined for~~
43 ~~each class of property for valuations established as~~
44 ~~of January 1, 1979, adjusted by the product obtained~~
45 ~~by multiplying the percentage determined for that year~~
46 ~~by the amount of any additions or deletions to actual~~
47 ~~value, excluding those resulting from the revaluation~~
48 ~~of existing properties, as reported by the assessors~~
49 ~~on the abstracts of assessment for 1979, plus four~~
50 ~~percent of the amount so determined. The divisor~~

1 ~~for each class of property shall be the total actual~~
2 ~~value of all such property in 1979, as equalized by~~
3 ~~the director of revenue pursuant to section 441.49,~~
4 ~~plus the amount of value added to the total actual~~
5 ~~value by the revaluation of existing properties in~~
6 ~~1980. The director shall utilize information reported~~
7 ~~on the abstracts of assessment submitted pursuant~~
8 ~~to section 441.45 in determining such percentage.~~
9 For valuations established as of January 1, 1980,
10 property valued by the department of revenue pursuant
11 to chapters 428, 433, 437, and 438 shall be assessed
12 at a percentage of its actual value. The percentage
13 shall be determined by the director of revenue in
14 accordance with the provisions of this section. For
15 valuations established as of January 1, 1980, the
16 percentage shall be the quotient of the dividend and
17 divisor as defined in this section. The dividend shall
18 be the total actual valuation established for 1979 by
19 the department of revenue, plus eight percent of the
20 amount so determined. The divisor for property valued
21 by the department of revenue pursuant to chapters 428,
22 433, 437, and 438 shall be the valuation established
23 for 1979, plus the amount of value added to the total
24 actual value by the revaluation of the property by
25 the department of revenue as of January 1, 1980. For
26 ~~valuations established as of January 1, 1981, and~~
27 ~~each year thereafter, the percentage of actual value~~
28 ~~as equalized by the director of revenue as provided~~
29 ~~in section 441.49 at which commercial property and~~
30 ~~industrial property, excluding properties referred to~~
31 ~~in section 427A.1, subsection 8, shall be assessed~~
32 ~~shall be calculated in accordance with the methods~~
33 ~~provided herein, except that any references to six~~
34 ~~percent in this subsection shall be four percent. For~~
35 valuations established as of January 1, 1981, and
36 each year thereafter, the percentage of actual value
37 at which property valued by the department of revenue
38 pursuant to chapters 428, 433, 437, and 438 shall be
39 assessed shall be calculated in accordance with the
40 methods provided herein, except that any references
41 to ten percent in this subsection shall be eight
42 percent. Beginning with valuations established as of
43 January 1, 1979, and each assessment year thereafter
44 beginning before January 1, 2012, property valued
45 by the department of revenue pursuant to chapter 434
46 shall also be assessed at a percentage of its actual
47 value which percentage shall be equal to the percentage
48 determined by the director of revenue for commercial
49 property, industrial property, or property valued by
50 the department of revenue pursuant to chapters 428,

1 433, 437, and 438, whichever is lowest. Beginning
2 with valuations established as of January 1, 2012,
3 but before January 1, 2016, property valued by the
4 department of revenue pursuant to chapter 434 that
5 is not new railway property shall be assessed at a
6 percentage of its actual value equal to the percentage
7 of actual value at which commercial property that
8 is not new commercial property is assessed for the
9 same assessment year. For valuations established
10 on or after January 1, 2012, but before January 1,
11 2016, property valued by the department of revenue
12 pursuant to chapter 434 that is new railway property
13 shall be assessed at a percentage of its actual value
14 equal to the percentage of actual value at which
15 commercial property that is new commercial property,
16 as defined in paragraph "c", is assessed for the same
17 assessment year. For purposes of this section, "new
18 railway property" means that portion of the actual
19 value of property assessed by the director of revenue
20 under chapter 434 in excess of one hundred fifty
21 percent of such property's value for the assessment
22 year beginning January 1, 2011, attributable to new
23 construction, renovation, or rehabilitation of the
24 property occurring on or after the effective date of
25 this division of this Act. "New railway property" shall
26 be considered a subclassification of property assessed
27 by the director of revenue under chapter 434 for the
28 assessment years beginning on or after January 1, 2012,
29 but before January 1, 2016. For valuations established
30 on or after January 1, 2016, property valued by the
31 department of revenue pursuant to chapter 434 shall
32 be assessed at a percentage of its actual value equal
33 to the percentage of actual value at which commercial
34 property is assessed for the same assessment year.

35 *b.* For valuations established on or after January
36 1, 2012, commercial property that is not new commercial
37 property as defined in paragraph "c", excluding
38 properties referred to in section 427A.1, subsection 8,
39 shall be assessed as a percentage of the actual value,
40 as determined in this paragraph.

41 (1) For valuations established for the assessment
42 year beginning January 1, 2012, the percentage of
43 actual value as equalized by the director of revenue as
44 provided in section 441.49 at which commercial property
45 that is not new commercial property shall be assessed
46 shall be ninety-two percent.

47 (2) For valuations established for the assessment
48 year beginning January 1, 2013, the percentage of
49 actual value as equalized by the director of revenue as
50 provided in section 441.49 at which commercial property

1 that is not new commercial property shall be assessed
2 shall be eighty-four percent.

3 (3) For valuations established for the assessment
4 year beginning January 1, 2014, the percentage of
5 actual value as equalized by the director of revenue as
6 provided in section 441.49 at which commercial property
7 that is not new commercial property shall be assessed
8 shall be seventy-six percent.

9 (4) For valuations established for the assessment
10 year beginning January 1, 2015, the percentage of
11 actual value as equalized by the director of revenue as
12 provided in section 441.49 at which commercial property
13 that is not new commercial property shall be assessed
14 shall be sixty-eight percent.

15 c. (1) For valuations established on or after
16 January 1, 2012, but before January 1, 2016, new
17 commercial property, excluding properties referred to
18 in section 427A.1, subsection 8, shall be assessed as a
19 percentage of the actual value, as determined in this
20 paragraph "c".

21 (2) For valuations established for assessment years
22 beginning on or after January 1, 2012, but before
23 January 1, 2016, the percentage of actual value as
24 equalized by the director of revenue as provided in
25 section 441.49 at which commercial property that is new
26 commercial property shall be assessed shall be sixty
27 percent.

28 (3) For purposes of this section, "new commercial
29 property" means that portion of the actual value of
30 property in excess of one hundred fifty percent of such
31 property's value for the assessment year beginning
32 January 1, 2011, attributable to new construction,
33 renovation, or rehabilitation of the property occurring
34 on or after the effective date of this division of
35 this Act, and but for this paragraph would be assessed
36 under paragraph "b". "New commercial property" shall be
37 considered a subclassification of commercial property
38 for the assessment years beginning on or after January
39 1, 2012, but before January 1, 2016.

40 d. (1) For valuations established on or after
41 January 1, 2016, commercial property, excluding
42 properties referred to in section 427A.1, subsection 8,
43 shall be assessed as a percentage of the actual value
44 as determined in this paragraph "d".

45 (2) For valuations established for the assessment
46 year beginning January 1, 2016, and each assessment
47 year thereafter, the percentage of actual value as
48 equalized by the director of revenue as provided in
49 section 441.49 at which commercial property shall be
50 assessed shall be sixty percent.

1 e. For valuations established on or after January
2 1, 2012, industrial property that is not new industrial
3 property as defined in paragraph "f", excluding
4 properties referred to in section 427A.1, subsection 8,
5 shall be assessed as a percentage of the actual value,
6 as determined in this paragraph.

7 (1) For valuations established for the assessment
8 year beginning January 1, 2012, the percentage of
9 actual value as equalized by the director of revenue as
10 provided in section 441.49 at which industrial property
11 that is not new industrial property, shall be assessed
12 shall be ninety-two percent.

13 (2) For valuations established for the assessment
14 year beginning January 1, 2013, the percentage of
15 actual value as equalized by the director of revenue as
16 provided in section 441.49 at which industrial property
17 that is not new industrial property shall be assessed
18 shall be eighty-four percent.

19 (3) For valuations established for the assessment
20 year beginning January 1, 2014, the percentage of
21 actual value as equalized by the director of revenue as
22 provided in section 441.49 at which industrial property
23 that is not new industrial property shall be assessed
24 shall be seventy-six percent.

25 (4) For valuations established for the assessment
26 year beginning January 1, 2015, the percentage of
27 actual value as equalized by the director of revenue as
28 provided in section 441.49 at which industrial property
29 that is not new industrial property shall be assessed
30 shall be sixty-eight percent.

31 f. (1) For valuations established on or after
32 January 1, 2012, but before January 1, 2016, new
33 industrial property, excluding properties referred to
34 in section 427A.1, subsection 8, shall be assessed as
35 a percentage of the actual value as determined in this
36 paragraph "f".

37 (2) For valuations established for assessment years
38 beginning on or after January 1, 2012, but before
39 January 1, 2016, the percentage of actual value as
40 equalized by the director of revenue as provided in
41 section 441.49 at which industrial property that is new
42 industrial property shall be assessed shall be sixty
43 percent.

44 (3) For purposes of this section, "new industrial
45 property" means that portion of the actual value of
46 property in excess of one hundred fifty percent of such
47 property's value for the assessment year beginning
48 January 1, 2011, attributable to new construction,
49 renovation, or rehabilitation of the property occurring
50 on or after the effective date of this division of

1 this Act, and but for this paragraph would be assessed
2 under paragraph "e". "New industrial property" shall be
3 considered a subclassification of industrial property
4 for the assessment years beginning on or after January
5 1, 2012, but before January 1, 2016.

6 g. (1) For valuations established on or after
7 January 1, 2016, industrial property, excluding
8 properties referred to in section 427A.1, subsection 8,
9 shall be assessed as a percentage of the actual value
10 as determined in this paragraph "g".

11 (2) For valuations established for the assessment
12 year beginning January 1, 2016, and each assessment
13 year thereafter, the percentage of actual value as
14 equalized by the director of revenue as provided in
15 section 441.49 at which industrial property shall be
16 assessed shall be sixty percent.

17 Sec. 4. Section 441.21, subsections 9 and 10, Code
18 2011, are amended to read as follows:

19 9. Not later than November 1, 1979, and November
20 1 of each subsequent year, the director shall
21 certify to the county auditor of each county the
22 percentages of actual value at which residential
23 property, agricultural property, commercial property,
24 new commercial property, industrial property, and
25 new industrial property, property valued by the
26 department of revenue pursuant to chapters 428, 433,
27 434, 437, and 438, and new railway property in each
28 assessing jurisdiction in the county shall be assessed
29 for taxation. The county auditor shall proceed
30 to determine the assessed values of agricultural
31 property, residential property, commercial property,
32 new commercial property, industrial property, and new
33 industrial property, property valued by the department
34 of revenue pursuant to chapters 428, 433, 434, 437,
35 and 438, and new railway property by applying such
36 percentages to the current actual value of such
37 property, as reported to the county auditor by the
38 assessor, and the assessed values so determined shall
39 be the taxable values of such properties upon which the
40 levy shall be made.

41 10. The percentage of actual value computed by
42 the director for agricultural property, residential
43 property, commercial property, new commercial property,
44 industrial property and, new industrial property,
45 property valued by the department of revenue pursuant
46 to chapters 428, 433, 434, 437, and 438, and new
47 railway property and used to determine assessed values
48 of those classes of property does not constitute a rule
49 as defined in section 17A.2, subsection 11.

50 Sec. 5. Section 441.21, Code 2011, is amended by

1 adding the following new subsection:

2 NEW SUBSECTION. 13. Notwithstanding any provision
3 of law to the contrary, beginning with valuations
4 established on or after January 1, 2012, as used in
5 this section, "*residential property*" includes that
6 portion of a building or structure and a proportionate
7 share of the land upon which the building or structure
8 is situated that is used as a primary residence by
9 the person who owns the building even if the use as
10 a primary residence is not the primary use of the
11 building or structure. Accordingly, the assessor
12 may assign more than one classification to a parcel
13 of property satisfying the requirements of this
14 subsection.

15 Sec. 6. NEW SECTION. 441.21A Legislative intent.

16 1. It is the intent of the general assembly that
17 appropriations be made annually to reimburse local
18 taxing authorities in this state for reductions in
19 property tax collections on commercial, new commercial,
20 industrial, new industrial, railway, and new railway
21 property as a result of the assessment limitations
22 on such property established under section 441.21,
23 subsection 5, in the following amounts:

24 a. For the fiscal year beginning July 1, 2013,
25 fifty million dollars.

26 b. For the fiscal year beginning July 1, 2014, one
27 hundred million dollars.

28 c. For the fiscal year beginning July 1, 2015, one
29 hundred fifty million dollars.

30 d. For the fiscal year beginning July 1, 2016, two
31 hundred million dollars.

32 e. For the fiscal year beginning July 1, 2017, and
33 each fiscal year thereafter, two hundred fifty million
34 dollars.

35 2. The committee on ways and means of the senate
36 and the committee on ways and means of the house of
37 representatives shall each conduct an annual review of
38 the implementation and fiscal impact of the commercial,
39 new commercial, industrial, new industrial, railway,
40 and new railway property assessment limitations
41 established under section 441.21, subsection 5, on
42 local taxing authorities in this state.

43 Sec. 7. SAVINGS PROVISION. This division of this
44 Act, pursuant to section 4.13, does not affect the
45 operation of, or prohibit the application of, prior
46 provisions of section 441.21, or rules adopted under
47 chapter 17A to administer prior provisions of section
48 441.21, for assessment years beginning before January
49 1, 2012, and for duties, powers, protests, appeals,
50 proceedings, actions, or remedies attributable to an

1 assessment year beginning before January 1, 2012.

2 Sec. 8. APPLICABILITY. This division of this Act
3 applies to property tax assessment years beginning on
4 or after January 1, 2012.

5 DIVISION III

6 COUNTY AND CITY BUDGET LIMITATION

7 Sec. 9. Section 23A.2, subsection 10, paragraph h,
8 Code 2011, is amended to read as follows:

9 h. The performance of an activity listed in
10 section 331.424, Code 2011, as a service ~~for~~ which a
11 ~~supplemental levy county may be certified~~ include in
12 its budget.

13 Sec. 10. Section 28M.5, subsection 2, Code 2011, is
14 amended to read as follows:

15 2. If a regional transit district budget allocates
16 revenue responsibilities to the board of supervisors
17 of a participating county, the amount of the regional
18 transit district levy that is the responsibility of the
19 participating county shall be deducted from the maximum
20 rates amount of taxes authorized to be levied by the
21 county pursuant to section 331.423, ~~subsections 1 and~~
22 ~~2~~ subsection 3, paragraphs "b" and "c", as applicable,
23 unless the county meets its revenue responsibilities as
24 allocated in the budget from other available revenue
25 sources. However, for a regional transit district
26 that includes a county with a population of less than
27 three hundred thousand, the amount of the regional
28 transit district levy that is the responsibility of
29 such participating county shall be deducted from the
30 maximum ~~rate~~ amount of taxes authorized to be levied
31 by the county pursuant to section 331.423, subsection
32 ~~± 3, paragraph "b"~~.

33 Sec. 11. Section 123.38, subsection 2, Code 2011,
34 is amended to read as follows:

35 2. Any licensee or permittee, or the licensee's
36 or permittee's executor or administrator, or any
37 person duly appointed by the court to take charge of
38 and administer the property or assets of the licensee
39 or permittee for the benefit of the licensee's or
40 permittee's creditors, may voluntarily surrender a
41 license or permit to the division. When a license
42 or permit is surrendered the division shall notify
43 the local authority, and the division or the local
44 authority shall refund to the person surrendering the
45 license or permit, a proportionate amount of the fee
46 received by the division or the local authority for
47 the license or permit as follows: if a license or
48 permit is surrendered during the first three months
49 of the period for which it was issued, the refund
50 shall be three-fourths of the amount of the fee;

1 if surrendered more than three months but not more
2 than six months after issuance, the refund shall be
3 one-half of the amount of the fee; if surrendered more
4 than six months but not more than nine months after
5 issuance, the refund shall be one-fourth of the amount
6 of the fee. No refund shall be made, however, for
7 any special liquor permit, nor for a liquor control
8 license, wine permit, or beer permit surrendered more
9 than nine months after issuance. For purposes of this
10 subsection, any portion of license or permit fees
11 used for the purposes authorized in section 331.424,
12 subsection 1, paragraph "a", subparagraphs (1) and
13 (2), Code 2011, and in section 331.424A, shall not be
14 deemed received either by the division or by a local
15 authority. No refund shall be made to any licensee or
16 permittee, upon the surrender of the license or permit,
17 if there is at the time of surrender, a complaint filed
18 with the division or local authority, charging the
19 licensee or permittee with a violation of this chapter.
20 If upon a hearing on a complaint the license or permit
21 is not revoked or suspended, then the licensee or
22 permittee is eligible, upon surrender of the license
23 or permit, to receive a refund as provided in this
24 section; but if the license or permit is revoked or
25 suspended upon hearing the licensee or permittee is not
26 eligible for the refund of any portion of the license
27 or permit fee.

28 Sec. 12. Section 218.99, Code 2011, is amended to
29 read as follows:

30 **218.99 Counties to be notified of patients' personal**
31 **accounts.**

32 The administrator in control of a state institution
33 shall direct the business manager of each institution
34 under the administrator's jurisdiction ~~which is~~
35 ~~mentioned in section 331.424, subsection 1, paragraph~~
36 ~~"a", subparagraphs (1) and (2), and for which services~~
37 are paid under section 331.424A, to quarterly inform
38 the county of legal settlement's entity designated to
39 perform the county's central point of coordination
40 process of any patient or resident who has an amount
41 in excess of two hundred dollars on account in the
42 patients' personal deposit fund and the amount on
43 deposit. The administrators shall direct the business
44 manager to further notify the entity designated to
45 perform the county's central point of coordination
46 process at least fifteen days before the release of
47 funds in excess of two hundred dollars or upon the
48 death of the patient or resident. If the patient or
49 resident has no county of legal settlement, notice
50 shall be made to the director of human services and the

1 administrator in control of the institution involved.
2 Sec. 13. Section 331.263, subsection 2, Code 2011,
3 is amended to read as follows:
4 2. The governing body of the community commonwealth
5 shall have the authority to levy county taxes and shall
6 have the authority to levy city taxes to the extent the
7 city tax levy authority is transferred by the charter
8 to the community commonwealth. A city participating
9 in the community commonwealth shall transfer a portion
10 of the city's tax levy authorized under section 384.1
11 or 384.12, whichever is applicable, to the governing
12 body of the community commonwealth. The maximum
13 ~~rates amount~~ of taxes authorized to be levied under
14 ~~sections section~~ 384.1 and the maximum amount of taxes
15 authorized to be levied under section 384.12 by a city
16 participating in the community commonwealth shall be
17 reduced by an amount equal to the rates of the same or
18 similar taxes levied in the city by the governing body
19 of the community commonwealth.
20 Sec. 14. Section 331.301, subsection 12, Code 2011,
21 is amended to read as follows:
22 12. The board of supervisors may credit funds to
23 a reserve for the purposes authorized by subsection
24 11 of this section; ~~section 331.424, subsection 1,~~
25 ~~paragraph "a", subparagraph (6);~~ and section 331.441,
26 subsection 2, paragraph "b". Moneys credited to the
27 reserve, and interest earned on such moneys, shall
28 remain in the reserve until expended for purposes
29 authorized by subsection 11 of this section; ~~section~~
30 ~~331.424, subsection 1, paragraph "a", subparagraph (6);~~
31 or section 331.441, subsection 2, paragraph "b".
32 Sec. 15. Section 331.421, subsections 1 and 10,
33 Code 2011, are amended by striking the subsections.
34 Sec. 16. Section 331.421, Code 2011, is amended by
35 adding the following new subsection:
36 **NEW SUBSECTION. 7A. "Item" means a budgeted**
37 **expenditure, appropriation, or cash reserve from a**
38 **fund for a service area, program, program element, or**
39 **purpose.**
40 Sec. 17. Section 331.423, Code 2011, is amended by
41 striking the section and inserting in lieu thereof the
42 following:
43 **331.423 Property tax dollars — maximums.**
44 1. Annually, the board shall determine separate
45 property tax levy limits to pay for general county
46 services and rural county services in accordance with
47 this section. The property tax levies separately
48 certified for general county services and rural county
49 services under section 331.434 shall not raise property
50 tax dollars that exceed the amount determined under

1 this section.

2 2. For purposes of this section and section
3 331.423B, unless the context otherwise requires:

4 a. "*Annual growth factor*" means an index, expressed
5 as a percentage, determined by the department of
6 management by January 1 of the calendar year in which
7 the budget year begins. In determining the annual
8 growth factor, the department shall calculate the
9 average of the preceding twelve-month percentage
10 change, which shall be computed on a monthly basis,
11 in the midwest consumer price index, ending with the
12 percentage change for the month of November. The
13 department shall then add that average percentage
14 change to one hundred percent. In no case, however,
15 shall the annual growth factor exceed one hundred four
16 percent.

17 b. "*Boundary adjustment*" means annexation,
18 severance, incorporation, or discontinuance as those
19 terms are defined in section 368.1.

20 c. "*Budget year*" is the fiscal year beginning
21 during the calendar year in which a budget is
22 certified.

23 d. "*Current fiscal year*" is the fiscal year
24 ending during the calendar year in which a budget is
25 certified.

26 e. "*Net new valuation taxes*" means the amount of
27 property tax dollars equal to the current fiscal year's
28 levy rate in the county for general county services or
29 for rural county services, as applicable, multiplied by
30 the increase from the current fiscal year to the budget
31 year in taxable valuation due to the following:

32 (1) Net new construction, excluding all incremental
33 valuation that is released in any one year from a
34 division of revenue under section 260E.4 or an urban
35 renewal area for which taxes were being divided under
36 section 403.19 if the property for the valuation being
37 released remains subject to the division of revenue
38 under section 260E.4 or remains part of the urban
39 renewal area that is subject to a division of revenue
40 under section 403.19.

41 (2) Additions or improvements to existing
42 structures.

43 (3) Remodeling of existing structures for which a
44 building permit is required.

45 (4) Net boundary adjustment.

46 (5) A municipality no longer dividing tax revenues
47 in an urban renewal area as provided in section 403.19
48 or a community college no longer dividing revenues as
49 provided in section 260E.4.

50 (6) That portion of taxable property located in an

1 urban revitalization area on which an exemption was
2 allowed and such exemption has expired.

3 3. a. For the fiscal year beginning July 1, 2012,
4 and subsequent fiscal years, the maximum amount of
5 property tax dollars which may be certified for levy by
6 a county for general county services and rural county
7 services shall be the maximum property tax dollars
8 calculated under paragraphs "b" and "c", respectively.

9 b. The maximum property tax dollars that may be
10 levied for general county services is an amount equal
11 to the sum of the following:

12 (1) The annual growth factor times the current
13 fiscal year's maximum property tax dollars for general
14 county services.

15 (2) The amount of net new valuation taxes in the
16 county.

17 c. The maximum property tax dollars that may be
18 levied for rural county services is an amount equal to
19 the sum of the following:

20 (1) The annual growth factor times the current
21 fiscal year's maximum property tax dollars for rural
22 county services.

23 (2) The amount of net new valuation taxes in the
24 unincorporated area of the county.

25 4. a. For purposes of calculating maximum property
26 tax dollars for general county services for the fiscal
27 year beginning July 1, 2012, only, the term "*current*
28 *fiscal year's maximum property tax dollars*" shall mean
29 the total amount of property tax dollars certified by
30 the county for general county services for the fiscal
31 year beginning July 1, 2011.

32 b. For purposes of calculating maximum property tax
33 dollars for rural county services for the fiscal year
34 beginning July 1, 2012, only, the term "*current fiscal*
35 *year's maximum property tax dollars*" shall mean the
36 total amount of property tax dollars certified by the
37 county for rural county services for the fiscal year
38 beginning July 1, 2011.

39 5. Property taxes certified for deposit in the
40 mental health, mental retardation, and developmental
41 disabilities services fund in section 331.424A, the
42 emergency services fund in section 331.424C, the debt
43 service fund in section 331.430, any capital projects
44 fund established by the county for deposit of bond,
45 loan, or note proceeds, and any temporary increase
46 approved pursuant to section 331.424, are not included
47 in the maximum amount of property tax dollars that may
48 be certified for a budget year under subsection 3.

49 6. The department of management, in consultation
50 with the county finance committee, shall adopt rules

1 to administer this section. The department shall
2 prescribe forms to be used by counties when making
3 calculations required by this section.

4 Sec. 18. NEW SECTION. 331.423B Ending fund
5 balance.

6 1. a. Budgeted ending fund balances for a budget
7 year in excess of twenty-five percent of budgeted
8 expenditures in either the general fund or rural
9 services fund for that budget year shall be explicitly
10 reserved or designated for a specific purpose.

11 b. A county is encouraged, but not required, to
12 reduce budgeted, unreserved, or undesignated ending
13 fund balances for the budget year to an amount equal
14 to approximately twenty-five percent of budgeted
15 expenditures and transfers from the general fund
16 and rural services fund for that budget year unless
17 a decision is certified by the state appeal board
18 ordering a reduction in the ending fund balance of any
19 of those funds.

20 c. In a protest to the county budget under section
21 331.436, the county shall have the burden of proving
22 that the budgeted balances in excess of twenty-five
23 percent are reasonably likely to be appropriated for
24 the explicitly reserved or designated specific purpose.
25 The excess budgeted balance for the specific purpose
26 shall be considered an increase in an item in the
27 budget for purposes of section 24.28.

28 2. a. For a county that has, as of June 30, 2011,
29 reduced its actual ending fund balance to less than
30 twenty-five percent of actual expenditures, additional
31 property taxes may be computed and levied as provided
32 in this subsection. The additional property tax levy
33 amount is an amount not to exceed twenty-five percent
34 of actual expenditures from the general fund and rural
35 services fund for the fiscal year beginning July 1,
36 2010, minus the combined ending fund balances for those
37 funds for that year.

38 b. The amount of the additional property taxes
39 shall be apportioned between the general fund and the
40 rural services fund. However, the amount apportioned
41 for general county services and for rural county
42 services shall not exceed for each fund twenty-five
43 percent of actual expenditures for the fiscal year
44 beginning July 1, 2010.

45 c. All or a portion of additional property tax
46 dollars may be levied for the purpose of increasing
47 cash reserves for general county services and rural
48 county services in the budget year. The additional
49 property tax dollars authorized under this subsection
50 but not levied may be carried forward as unused ending

1 fund balance taxing authority until and for the fiscal
2 year beginning July 1, 2017. The amount carried
3 forward shall not exceed twenty-five percent of the
4 maximum amount of property tax dollars available in
5 the current fiscal year. Additionally, property taxes
6 that are levied as unused ending fund balance taxing
7 authority under this subsection may be the subject of
8 a protest under section 331.436, and the amount will
9 be considered an increase in an item in the budget for
10 purposes of section 24.28. The amount of additional
11 property taxes levied under this subsection shall not
12 be included in the computation of the maximum amount of
13 property tax dollars which may be certified and levied
14 under section 331.423.

15 Sec. 19. Section 331.424, Code 2011, is amended by
16 striking the section and inserting in lieu thereof the
17 following:

18 **331.424 Authority to levy beyond maximum property**
19 **tax dollars.**

20 1. The board may certify additions to the maximum
21 amount of property tax dollars to be levied for
22 a period of time not to exceed two years if the
23 proposition has been submitted at a special election
24 and received a favorable majority of the votes cast on
25 the proposition.

26 2. The special election is subject to the
27 following:

28 a. The board must give at least thirty-two days'
29 notice to the county commissioner of elections that the
30 special election is to be held. In no case, however,
31 shall a notice be given to the county commissioner
32 of elections after December 31 for an election on a
33 proposition to exceed the statutory limits during the
34 fiscal year beginning in the next calendar year.

35 b. The special election shall be conducted by the
36 county commissioner of elections in accordance with
37 law.

38 c. The proposition to be submitted shall be
39 substantially in the following form:

40 Vote "yes" or "no" on the following: Shall the
41 county of _____ levy for an additional \$ _____ each
42 year for ___ years beginning July 1, _____, in excess
43 of the statutory limits otherwise applicable for the
44 (general county services or rural services) fund?

45 d. The canvass shall be held beginning at 1:00 p.m.
46 on the second day which is not a holiday following the
47 special election.

48 e. Notice of the special election shall be
49 published at least once in a newspaper as specified
50 in section 331.305 prior to the date of the special

1 election. The notice shall appear as early as
2 practicable after the board has voted to submit a
3 proposition to the voters to levy additional property
4 tax dollars.

5 3. Registered voters in the county may vote on the
6 proposition to increase property taxes for the general
7 fund in excess of the statutory limit. Registered
8 voters residing outside the corporate limits of a
9 city within the county may vote on the proposition to
10 increase property taxes for the rural services fund in
11 excess of the statutory limit.

12 4. The amount of additional property tax dollars
13 certified under this section shall not be included in
14 the computation of the maximum amount of property tax
15 dollars which may be certified and levied under section
16 331.423.

17 Sec. 20. Section 331.424A, subsection 4, Code 2011,
18 is amended to read as follows:

19 4. For the fiscal year beginning July 1, 1996,
20 and for each subsequent fiscal year, the county shall
21 certify a levy for payment of services. For each
22 fiscal year, county revenues from taxes imposed by the
23 county credited to the services fund shall not exceed
24 an amount equal to the amount of base year expenditures
25 for services as defined in section 331.438, less the
26 amount of property tax relief to be received pursuant
27 to section 426B.2, in the fiscal year for which the
28 budget is certified. The county auditor and the
29 board of supervisors shall reduce the amount of the
30 levy certified for the services fund by the amount of
31 property tax relief to be received. A levy certified
32 under this section is not subject to ~~the appeal~~
33 ~~provisions of section 331.426 or to any other provision~~
34 in law authorizing a county to exceed, increase, or
35 appeal a property tax levy limit.

36 Sec. 21. Section 331.427, subsection 3, paragraph
37 1, Code 2011, is amended to read as follows:

38 1. Services listed in section 331.424, subsection
39 1, Code 2011, and section 331.554.

40 Sec. 22. Section 331.428, subsection 2, paragraph
41 d, Code 2011, is amended to read as follows:

42 d. Services listed under section 331.424,
43 subsection 2, Code 2011.

44 Sec. 23. Section 331.434, subsection 1, Code 2011,
45 is amended to read as follows:

46 1. The budget shall show the amount required for
47 each class of proposed expenditures, a comparison of
48 the amounts proposed to be expended with the amounts
49 expended for like purposes for the two preceding years,
50 the revenues from sources other than property taxation,

1 and the amount to be raised by property taxation, in
2 the detail and form prescribed by the director of the
3 department of management. For each county that has
4 established an urban renewal area, the budget shall
5 include estimated and actual tax increment financing
6 revenues and all estimated and actual expenditures of
7 the revenues, proceeds from debt and all estimated
8 and actual expenditures of the debt proceeds, and
9 identification of any entity receiving a direct payment
10 of taxes funded by tax increment financing revenues
11 and shall include the total amount of loans, advances,
12 indebtedness, or bonds outstanding at the close of
13 the most recently ended fiscal year, which qualify
14 for payment from the special fund created in section
15 403.19, including interest negotiated on such loans,
16 advances, indebtedness, or bonds. For purposes of this
17 subsection, "indebtedness" includes written agreements
18 whereby the county agrees to suspend, abate, exempt,
19 rebate, refund, or reimburse property taxes, provide a
20 grant for property taxes paid, or make a direct payment
21 of taxes, with moneys in the special fund. The amount
22 of loans, advances, indebtedness, or bonds shall be
23 listed in the aggregate for each county reporting. The
24 ~~county finance committee, in consultation with the~~
25 ~~department of management and the legislative services~~
26 ~~agency, shall determine reporting criteria and shall~~
27 ~~prepare a form for reports filed with the department~~
28 ~~pursuant to this section. The department shall make~~
29 ~~the information available by electronic means.~~

30 Sec. 24. Section 373.10, Code 2011, is amended to
31 read as follows:

32 **373.10 Taxing authority.**

33 The metropolitan council shall have the authority
34 to levy city taxes to the extent the city tax levy
35 authority is transferred by the charter to the
36 metropolitan council. A member city shall transfer
37 a portion of the city's tax levy authorized under
38 section 384.1 or 384.12, whichever is applicable, to
39 the metropolitan council. The maximum ~~rates~~ amount of
40 taxes authorized to be levied under ~~sections~~ section
41 384.1 and the taxes authorized to be levied under
42 section 384.12 by a member city shall be reduced by an
43 amount equal to the rates of the same or similar taxes
44 levied in the city by the metropolitan council.

45 Sec. 25. Section 384.1, Code 2011, is amended by
46 striking the section and inserting in lieu thereof the
47 following:

48 **384.1 Property tax dollars — maximums.**

49 1. A city shall certify taxes to be levied by the
50 city on all taxable property within the city limits,

1 for all city government purposes. Annually, the city
2 council may certify basic levies for city government
3 purposes, subject to the limitation on property tax
4 dollars provided in this section.

5 2. For purposes of this section and section 384.1B,
6 unless the context otherwise requires:

7 a. "*Annual growth factor*" means an index, expressed
8 as a percentage, determined by the department of
9 management by January 1 of the calendar year in which
10 the budget year begins. In determining the annual
11 growth factor, the department shall calculate the
12 average of the preceding twelve-month percentage
13 change, which shall be computed on a monthly basis,
14 in the midwest consumer price index, ending with the
15 percentage change for the month of November. The
16 department shall then add that average percentage
17 change to one hundred percent. In no case, however,
18 shall the annual growth factor exceed one hundred four
19 percent.

20 b. "*Boundary adjustment*" means annexation,
21 severance, incorporation, or discontinuance as those
22 terms are defined in section 368.1.

23 c. "*Budget year*" is the fiscal year beginning
24 during the calendar year in which a budget is
25 certified.

26 d. "*Current fiscal year*" is the fiscal year
27 ending during the calendar year in which a budget is
28 certified.

29 e. "*Net new valuation taxes*" means the amount of
30 property tax dollars equal to the current fiscal year's
31 levy rate in the city for the general fund multiplied
32 by the increase from the current fiscal year to the
33 budget year in taxable valuation due to the following:

34 (1) Net new construction, excluding all incremental
35 valuation that is released in any one year from a
36 division of revenue under section 260E.4 or an urban
37 renewal area for which taxes were being divided under
38 section 403.19 if the property for the valuation being
39 released remains subject to the division of revenue
40 under section 260E.4 or remains part of the urban
41 renewal area that is subject to a division of revenue
42 under section 403.19.

43 (2) Additions or improvements to existing
44 structures.

45 (3) Remodeling of existing structures for which a
46 building permit is required.

47 (4) Net boundary adjustment.

48 (5) A municipality no longer dividing tax revenues
49 in an urban renewal area as provided in section 403.19
50 or a community college no longer dividing revenues as

1 provided in section 260E.4.

2 (6) That portion of taxable property located in an
3 urban revitalization area on which an exemption was
4 allowed and such exemption has expired.

5 3. a. For the fiscal year beginning July 1, 2012,
6 and subsequent fiscal years, the maximum amount of
7 property tax dollars which may be certified for levy
8 by a city for the general fund shall be the maximum
9 property tax dollars calculated under paragraph "b".

10 b. The maximum property tax dollars that may be
11 levied for deposit in the general fund is an amount
12 equal to the sum of the following:

13 (1) The annual growth factor times the current
14 fiscal year's maximum property tax dollars for the
15 general fund.

16 (2) The amount of net new valuation taxes in the
17 city.

18 4. For purposes of calculating maximum property tax
19 dollars for the city general fund for the fiscal year
20 beginning July 1, 2012, only, the term "*current fiscal*
21 *year's maximum property tax dollars*" shall mean the
22 total amount of property tax dollars certified by the
23 city for the city's general fund for the fiscal year
24 beginning July 1, 2011.

25 5. Property taxes certified for deposit in the
26 debt service fund in section 384.4, trust and agency
27 funds in section 384.6, capital improvements reserve
28 fund in section 384.7, the emergency fund in section
29 384.8, any capital projects fund established by the
30 city for deposit of bond, loan, or note proceeds,
31 any temporary increase approved pursuant to section
32 384.12A, property taxes collected from a voted levy
33 in section 384.12, and property taxes levied under
34 section 384.12, subsection 18, are not counted against
35 the maximum amount of property tax dollars that may be
36 certified for a fiscal year under subsection 3.

37 6. Notwithstanding the maximum amount of taxes
38 a city may certify for levy, the tax levied by a
39 city on tracts of land and improvements on the
40 tracts of land used and assessed for agricultural or
41 horticultural purposes shall not exceed three dollars
42 and three-eighths cents per thousand dollars of
43 assessed value in any year. Improvements located on
44 such tracts of land and not used for agricultural or
45 horticultural purposes and all residential dwellings
46 are subject to the same rate of tax levied by the city
47 on all other taxable property within the city.

48 7. The department of management, in consultation
49 with the city finance committee, shall adopt rules
50 to administer this section. The department shall

1 prescribe forms to be used by cities when making
2 calculations required by this section.

3 Sec. 26. NEW SECTION. **384.1B Ending fund balance.**

4 1. *a.* Budgeted ending fund balances for a budget
5 year in excess of twenty-five percent of budgeted
6 expenditures from the general fund for that budget
7 year shall be explicitly reserved or designated for a
8 specific purpose.

9 *b.* A city is encouraged, but not required, to
10 reduce budgeted, unreserved, or undesignated ending
11 fund balances for the budget year to an amount equal
12 to approximately twenty-five percent of budgeted
13 expenditures and transfers from the general fund for
14 that budget year unless a decision is certified by the
15 state appeal board ordering a reduction in the ending
16 fund balance of the fund.

17 *c.* In a protest to the city budget under section
18 384.19, the city shall have the burden of proving
19 that the budgeted balances in excess of twenty-five
20 percent are reasonably likely to be appropriated for
21 the explicitly reserved or designated specific purpose.
22 The excess budgeted balance for the specific purpose
23 shall be considered an increase in an item in the
24 budget for purposes of section 24.28.

25 2. *a.* For a city that has, as of June 30,
26 2011, reduced its ending fund balance to less than
27 twenty-five percent of actual expenditures, additional
28 property taxes may be computed and levied as provided
29 in this subsection. The additional property tax levy
30 amount is an amount not to exceed the difference
31 between twenty-five percent of actual expenditures for
32 city government purposes for the fiscal year beginning
33 July 1, 2010, minus the ending fund balance for that
34 year.

35 *b.* All or a portion of additional property tax
36 dollars may be levied for the purpose of increasing
37 cash reserves for city government purposes in the
38 budget year. The additional property tax dollars
39 authorized under this subsection but not levied may be
40 carried forward as unused ending fund balance taxing
41 authority until and for the fiscal year beginning
42 July 1, 2017. The amount carried forward shall not
43 exceed twenty-five percent of the maximum amount of
44 property tax dollars available in the current fiscal
45 year. Additionally, property taxes that are levied
46 as unused ending fund balance taxing authority under
47 this subsection may be the subject of a protest under
48 section 384.19, and the amount will be considered an
49 increase in an item in the budget for purposes of
50 section 24.28. The amount of additional property tax

1 dollars levied under this subsection shall not be
2 included in the computation of the maximum amount of
3 property tax dollars which may be certified and levied
4 under section 384.1.

5 Sec. 27. Section 384.12, subsection 20, Code 2011,
6 is amended by striking the subsection.

7 Sec. 28. NEW SECTION. 384.12A Authority to levy
8 beyond maximum property tax dollars.

9 1. The city council may certify additions to the
10 maximum amount of property tax dollars to be levied
11 for a period of time not to exceed two years if the
12 proposition has been submitted at a special election
13 and received a favorable majority of the votes cast on
14 the proposition.

15 2. The special election is subject to the
16 following:

17 a. The city council must give at least thirty-two
18 days' notice to the county commissioner of elections
19 that the special election is to be held. In no
20 case, however, shall a notice be given to the county
21 commissioner of elections after December 31 for an
22 election on a proposition to exceed the statutory
23 limits during the fiscal year beginning in the next
24 calendar year.

25 b. The special election shall be conducted by the
26 county commissioner of elections in accordance with
27 law.

28 c. The proposition to be submitted shall be
29 substantially in the following form:

30 Vote "yes" or "no" on the following: Shall the city
31 of _____ levy for an additional \$ _____ each year
32 for _____ years beginning next July 1, _____, in excess of
33 the statutory limits otherwise applicable for the city
34 general fund?

35 d. The canvass shall be held beginning at 1:00 p.m.
36 on the second day which is not a holiday following the
37 special election.

38 e. Notice of the special election shall be
39 published at least once in a newspaper as specified
40 in section 362.3 prior to the date of the special
41 election. The notice shall appear as early as
42 practicable after the city council has voted to submit
43 a proposition to the voters to levy additional property
44 tax dollars.

45 3. The amount of additional property tax dollars
46 certified under this section shall not be included in
47 the computation of the maximum amount of property tax
48 dollars which may be certified and levied under section
49 384.1.

50 Sec. 29. Section 384.16, subsection 1, paragraph b,

1 Code 2011, is amended to read as follows:

2 **b.** A budget must show comparisons between the
3 estimated expenditures in each program in the following
4 year, the latest estimated expenditures in each program
5 in the current year, and the actual expenditures in
6 each program from the annual report as provided in
7 section 384.22, or as corrected by a subsequent audit
8 report. Wherever practicable, as provided in rules
9 of the committee, a budget must show comparisons
10 between the levels of service provided by each program
11 as estimated for the following year, and actual
12 levels of service provided by each program during
13 the two preceding years. For each city that has
14 established an urban renewal area, the budget shall
15 include estimated and actual tax increment financing
16 revenues and all estimated and actual expenditures of
17 the revenues, proceeds from debt and all estimated
18 and actual expenditures of the debt proceeds, and
19 identification of any entity receiving a direct payment
20 of taxes funded by tax increment financing revenues
21 and shall include the total amount of loans, advances,
22 indebtedness, or bonds outstanding at the close of
23 the most recently ended fiscal year, which qualify
24 for payment from the special fund created in section
25 403.19, including interest negotiated on such loans,
26 advances, indebtedness, or bonds. The amount of loans,
27 advances, indebtedness, or bonds shall be listed in the
28 aggregate for each city reporting. ~~The city finance
29 committee, in consultation with the department of
30 management and the legislative services agency, shall
31 determine reporting criteria and shall prepare a form
32 for reports filed with the department pursuant to this
33 section. The department shall make the information
34 available by electronic means.~~

35 Sec. 30. Section 384.19, Code 2011, is amended by
36 adding the following new unnumbered paragraph:

37 NEW UNNUMBERED PARAGRAPH. For purposes of a tax
38 protest filed under this section, "item" means a
39 budgeted expenditure, appropriation, or cash reserve
40 from a fund for a service area, program, program
41 element, or purpose.

42 Sec. 31. Section 386.8, Code 2011, is amended to
43 read as follows:

44 **386.8 Operation tax.**

45 A city may establish a self-supported improvement
46 district operation fund, and may certify taxes not
47 to exceed the rate limitation as established in the
48 ordinance creating the district, or any amendment
49 thereto, each year to be levied for the fund against
50 all of the property in the district, for the purpose

1 of paying the administrative expenses of the district,
2 which may include but are not limited to administrative
3 personnel salaries, a separate administrative office,
4 planning costs including consultation fees, engineering
5 fees, architectural fees, and legal fees and all other
6 expenses reasonably associated with the administration
7 of the district and the fulfilling of the purposes of
8 the district. The taxes levied for this fund may also
9 be used for the purpose of paying maintenance expenses
10 of improvements or self-liquidating improvements for a
11 specified length of time with one or more options to
12 renew if such is clearly stated in the petition which
13 requests the council to authorize construction of the
14 improvement or self-liquidating improvement, whether
15 or not such petition is combined with the petition
16 requesting creation of a district. Parcels of property
17 which are assessed as residential property for property
18 tax purposes are exempt from the tax levied under this
19 section except residential properties within a duly
20 designated historic district. A tax levied under
21 this section is not subject to the ~~levy~~ limitation in
22 section 384.1.

23 Sec. 32. Section 386.9, Code 2011, is amended to
24 read as follows:

25 **386.9 Capital improvement tax.**

26 A city may establish a capital improvement fund
27 for a district and may certify taxes, not to exceed
28 the rate established by the ordinance creating the
29 district, or any subsequent amendment thereto,
30 each year to be levied for the fund against all of
31 the property in the district, for the purpose of
32 accumulating moneys for the financing or payment
33 of a part or all of the costs of any improvement or
34 self-liquidating improvement. However, parcels of
35 property which are assessed as residential property
36 for property tax purposes are exempt from the tax
37 levied under this section except residential properties
38 within a duly designated historic district. A tax
39 levied under this section is not subject to the ~~levy~~
40 limitations in section 384.1 or 384.7.

41 Sec. 33. REPEAL. Sections 331.425 and 331.426,
42 Code 2011, are repealed.

43 Sec. 34. APPLICABILITY. This division of this Act
44 applies to fiscal years beginning on or after July 1,
45 2012.>

46 2. Title page, by striking lines 1 through 3
47 and inserting <An Act relating to state and local
48 government finances by increasing the regular program
49 foundation base, establishing property tax levy limits
50 for cities and counties, establishing certain property

1 subclassifications, establishing certain property
2 assessment limitations, modifying certain property
3 tax classifications, and including applicability
4 provisions.>